

abundant mass of paper and the control of the bank was turned over to the *Compagnie des Indes*. The company was authorized to convert at the will of the holders shares in the company into bank-bills or to redeem bills in shares, at a fixed price of 9000 livres per share. The contest of paper money against the metals was continued by a decree of March nth, suppressing gold and silver as legal tender and providing for the confiscation of gold or silver, whether coin, bullion, or vessels, when found in the possession of subjects.

But the tide had turned and could no longer be stemmed. The fall in the stock continued, the company suffered in its commercial operations by the pest, which closed the free port of Marseilles, and a decree of May i, 1720, scaled the value of shares from month to month until they should be reduced on December ist, to 5500 livres and bank-bills should be reduced to fifty per cent, of their par value. Panic seized upon every holder of either form of paper, as he saw the values of his property shrinking under legal decree with every passing day. A commission was appointed to examine the bank and found that against 3,000,000,000 livres of circulation it held 21,000,000 livres in coin, 28,000,000 in bullion and 240,000,000 in commercial bills,—less than ten per cent, of assets in all against its outstanding notes. A run upon the bank began on the night of July i6th, and the crowd was so dense that a dozen unfortunates were choked or trampled under foot. The corpses were placed upon litters and borne to the residence of the Regent. Law escaped from the crowd into the palace, but his carriage was broken in pieces and the coachman thrown from his seat and dragged upon the ground. The bank was closed, the forced legal tender of the bank-bills was suspended, the contracts of the company with the government were cancelled, and the stock was called in for readjustment.

A decree appeared on January 26, 1721, known under the name of the *visa* providing for the liquidation of the affairs of the company and of the bank and the readjustment of the public debt. The decree was attributed to Paris-Duverney, from whom Law had taken the fanning of the revenues, and